

State of Arkansas
82nd General Assembly
Regular Session, 1999

A Bill

Act 652 of 1999
HOUSE BILL 1767

By: Representatives Cleveland, Agee, Allison, Angel, Biggs, Bond, Broadway, Carson, Cook, Dees, Files, Gillespie, Gipson, Gullett, Haak, Harris, Hathorn, Hausam, J. Jeffress, G. Jeffress, C. Johnson, Judy, Lancaster, Lendall, Milligan, Milum, Oglesby, Pappas, Prater, Rodgers, Scrimshire, Simon, T. Smith, M. Steele, Taylor, Teague, L. Thomas, W. Walker, Weaver, Wilkins, Willis, Wood, Wilkinson

For An Act To Be Entitled

"AN ACT TO ESTABLISH THE ARKANSAS TECHNICAL CAREERS
STUDENT LOAN FORGIVENESS PROGRAM; AND FOR OTHER
PURPOSES."

Subtitle

"THE ARKANSAS TECHNICAL CAREERS STUDENT
LOAN FORGIVENESS PROGRAM."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Creation.

(a) There is hereby established a program to be known as the "Arkansas Technical Careers Student Loan Forgiveness Program" to be administered by the State Board of Workforce Education and Career Opportunities through the Department of Workforce Education.

(b) Establishment of the Arkansas Technical Careers Student Loan Forgiveness Program and implementation of the provisions of this act shall be contingent on the appropriation and funding necessary to allow the State Board of Workforce Education and Career Opportunities to carry out the duties assigned to it in this act.

SECTION 2. Purpose.

Arkansas is experiencing an increasing demand for a workforce qualified in various technical occupations. The purpose of this act is to establish a loan forgiveness program to assist and encourage people to enter and complete programs qualifying them to fill the demand for employees in various technical fields. The program will provide repayment for students admitted to high demand technical training programs which shall be forgiven if the recipient works in a high demand technical occupation in Arkansas and satisfies other requirements as set out in this act.

SECTION 3. Administration.

The State Board of Workforce Education and Career Opportunities through the Department of Workforce Education shall administer the Arkansas Technical Careers Student Loan Forgiveness Program and shall have the following authority with respect to the program:

(1) To adopt rules and regulations for the administration of the program consistent with the provisions of this act;

(2) To prepare application forms or such other forms as the State Board of Workforce Education and Career Opportunities shall deem necessary to properly administer and carry out the purpose of this subchapter;

(3) To establish and consult with an advisory panel that is representative of agencies and entities involved in the economic development of Arkansas, including business and industry;

(4) To contract with an experienced third party, the Arkansas Student Loan Authority or another qualified agency for the administration of this loan forgiveness program.

SECTION 4. Institutional eligibility.

The institution to be attended under the loan forgiveness program must be approved by the State Board of Workforce Education and Career Opportunities or the Arkansas Higher Education Coordinating Board to offer training in the technical field chosen by the applicant.

SECTION 5. Educational Program Approval and Priorities.

(a) The State Board of Workforce Education and Career Opportunities shall consider comments and suggestions from the Department of Higher Education, the Arkansas Higher Education Coordinating Board, the Arkansas Economic Development Commission, the Employment Security Department, the State Chamber of Commerce, and other appropriate entities to annually develop and publish a list of technical education programs that are approved for this program.

(b) The State Board of Workforce Education and Career Opportunities may consider the state, regional, and local area priorities when determining the technical programs that are approved; however, for the 1999-2000 fiscal year, only state priorities shall be considered.

(c) Beginning in the 2000-2001 fiscal year, the State Board of Workforce Education and Career Opportunities may solicit proposals or requests from the state's postsecondary institutions, chambers of commerce, business and industry, and other appropriate local entities for regional and local priorities when determining the approved technical programs for this program.

SECTION 6. Student eligibility - Initial Certification of Eligibility.

(a) The State Board of Workforce Education and Career Opportunities shall certify eligibility for

people who meet the following conditions:

(1) Are residents of the State of Arkansas and citizens of the United States or permanent resident aliens;

(2) Are admitted to an approved program resulting in a diploma, certificate or degree in a high demand technical field;

(3) Have a grade point average as required in the rules and regulations for administration of this loan forgiveness program for the specified technical field; and

(4) Indicate an intention to work in Arkansas in the high demand technical field for which they receive the training.

(b) Students must apply for the loan forgiveness program, and be selected by a process administered by the State Board of Workforce Education and Career Opportunities.

SECTION 7. Amount of loan forgiveness.

(a) The yearly amount for each student's loan forgiveness shall not exceed the maximum yearly amount allowed under the Arkansas Academic Challenge Scholarship program.

(b) Eligible students may participate in the loan forgiveness program for a maximum of four (4) years, or its equivalent, as determined by rules and regulations.

(c) The State Board shall establish through rules and regulations, with input from the Department of Higher Education and other appropriate entities, loan forgiveness amounts for approved technical education programs for students enrolled on a less than full-time basis.

SECTION 8. Repayment of loans - Failure to repay.

(a) After graduation from the approved technical program, loan recipients who work for one year on a full-time basis in Arkansas in the high demand technical field for which the educational program prepared them shall upon annual certification by their employer, be forgiven one (1) year of the eligible loan amount or its equivalent for persons who enrolled in an educational program on a less than regular full-time basis. Each succeeding year of loan forgiveness is contingent upon one additional year of certified full-time employment in Arkansas in the technical field.

(b) Loan recipients who do not graduate from the program or who do not work full-time in the high demand technical field in the state of Arkansas for which they received training shall repay the loan in accordance with the loan recipient's agreement with the lending authority.

SECTION 9. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 10. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given

effect without the invalid provision or application, and the this end the provisions of this act are declared to be severable.

SECTION 11. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 12. EMERGENCY CLAUSE. It is hereby found and determined by the Eighty-second General Assembly that there is a continuing and pressing need for skilled technical workers by business and industry in Arkansas which makes it necessary to establish this Arkansas Technical Careers Student Loan Forgiveness Program to aid persons desiring to enter an educational program that will prepare them for such work. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.

APPROVED: 3/16/1999